Price rise of essential commodities

†2511. SHRI AMIR ALAM KHAN: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether prices of essential consumable items like wheat, sugar, rice, pulses, edible oils and vegetables are rising day-by-day;

(b) if so, the details of rise in prices of these items during year 2008-09 and up to November, 2009;

(c) the plans of Government to check trend of price hike of these items;

(d) the details of import of wheat, rice, pulses, sugar and edible oils during year 2008-09 and up to November, 2009 alongwith the import price of these items; and

(e) the necessary steps being taken by Government to check the increase in inflation and increase the production of agriculture products and foodgrains?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (PROF. K.V. THOMAS): (a) and (b) The All India average wholesale prices has increased in the case of wheat by 13.24%, sugar by 64.21%, rice by 8.83%, Pulses such as Tur dal by 65.83%, Gram by 1.83%, Potato by 115.44 % and Onion by 54.52% but had declined in the case of edible oil such as Groundnut oil by (-4.70%), Mustard oil by (-14.00%), Vanaspati by (-12.41%) respectively over the past one year. The detail of rise in prices of these items during year 2008-09 and up to November, 2009 is given in Statement-I *(See* below).

(c) The Government has taken steps to protect poor sections of society through Targeted Public Distribution System (TPDS) and Antodaya Anna Yojna (AAY). Under the TPDS, wheat, rice, coarse grains and kerosene are allocated to State Governments/UTs for distribution through the Fair Price Shops. The Central Issue Price for rice and wheat has not been revised since 2002. For wheat it remains at Rs 4.15 per kg for BPL and Rs 2 per kg for AAY. For rice, it is Rs 5.65 per kg for BPL and Rs 3 per kg for AAY. Pulses are distributed to the State Governments under the PDS @ Rs.10 per kg subsidy scheme. In view of the rise in prices of essential commodities witnessed during the recent past, Government has allocated imported edible oils to State/UT Governments. States are free to distribute the edible oil through whatever outlets they decide on.

Government has taken steps to promote the consumption of yellow peas by mounting a campaign and asking NAFED,NCCF, Kendriya Bhandar, Mother Dairy to distribute it through their selected retail outlets in Delhi.

(d) There has been no import of wheat and rice during 2008-09 and 2009-10 up to November 2009. Details of imports of pulses, sugar and edible oils, along with their values are given in Statement-II (*See* below).

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†Original notice of the question was received in Hindi.

(e) The Government Measures to check the prices of essential commodities are given in Statement-III *(See* below).

Enhancement of MSP of foodgrains year after year is meant to make agriculture production remunerative.

The Government has in addition to ongoing schemes, new initiatives like Rashtriya Krishi Vikas Yojana (RKVY), National Food Security Mission (NFSM) and National Horticulture Mission has been taken up.

RKVY aims at achieving 4% annual growth in agriculture and allied sector by ensuring holistic development of agriculture and allied sector. The outlay for Eleventh Five year Plan is Rs. 25,000 crore.

NFSM, whose primary objective is to enhance production of rice, wheat and pulses through increased productivity of rice and wheat and productivity/area coverage of pulses. The outlay for Eleventh Five year Plan is Rs. 4,883 crore.

National Horticulture Mission targets to promote horticulture crops with an outlay of Rs. 8,809 crore for Eleventh Five Year Plan.

Statement-I

All India Average Wholesale Price of Commodities from (Jan. 08-Nov. 09)

Rice (Rs./Quintal)

Month	2008	2009
Jan	1299.69	1526.84
Feb	1330.1	1528.28
Mar	1355.86	1531.15
Apr	1374.43	1542.63
May	1411.45	1553.31
Jun	1454.17	1542.06
Jul	1491.54	1540.54
Aug	1497.36	1557.49
Sep	1515.3	1576.19
Oct	1513.96	1619.09
Nov	1520.44	1654.66
Dec	1524.84	

Gram (Rs./Quintal)

Month	2008	2009
Jan	2954.79	3102.55
Feb	2965.11	3118.02
Mar	3160.32	3088.29
Apr	3241.49	3065.34

Month	2008	2009
May	3193.8	3024.44
Jun	3141.94	3014.4
Jul	3163.95	3096.83
Aug	3292.23	3197.1
Sep	3297.58	3190.33
Oct	3246.47	3159.17
Nov	3192.69	3251.24
Dec	3156.81	

Wheat (Rs./Quintal)

Month	2008	2009
Jan	1208.77	1263.46
Feb	1216.58	1274.43
Mar	1234.01	1281.07
Apr	1241.68	1278.29
May	1221.39	1271.36
Jun	1200.26	1269.84
Jul	1226.17	1276.55
Aug	1248.94	1295.29
Sep	1248.43	1311.3
Oct	1243.06	1342.19
Nov	1245.13	1409.98
Dec	1249.47	

Tur (Rs./Quintal)

Month	2008	2009
Jan	3756.36	4285.1
Feb	3652.85	4418.35
Mar	3704.31	4488.12
Apr	3711.57	4676.53
May	3681.62	4837.89
Jun	3723.94	5007.53
Jul	3906.04	5733.85
Aug	4095.74	6472.72
Sep	4181.95	6615.63
Oct	4246.77	6705.23
Nov	4272.7	7085.27
Dec	7275.41	

Month	2008	2009
	Groundnut Oil (Rs./Quintal)	
Month	2008	2009
Jan	8021.78	7913.02
Feb	8012	7799.28
Mar	8085.9	7669.19
Apr	8123.77	7678.54
May	8147.43	7680.0
Jun	8309.94	7567.02
Jul	8400.33	7609.57
Aug	8337.22	7679.3
Sep	8227.62	7677.36
Oct	8103.59	7780.15
Nov	8054.06	7677.08
Dec	7984.94	
	Sugar (Rs./Quintal)	
Month	2008	2009
Jan	1504.42	1971.3
Feb	1537.03	2059.86
Mar	1561.04	2130.66
Apr	1600.74	2216.55
May	1604.91	2294.71
Jun	1608.67	2338.38
Jul	1630.32	2403.43
Aug	1807.91	2598.87
Sep	1916.28	2806.92
Oct	1892.01	2879.3
Nov	1872.28	3074.44
Dec	1899.05	
	Mustard Oil (Rs. /Quintal)	
Month	2008	2009
Jan	6307.72	7697.39
Feb	6523.79	7530.0
Mar	6959.29	7337.15

Month	2008	2009
Apr	6970.14	7044.55
May	6833.96	6963.67
Jun	7193.58	6848.66
Jul	7622.31	6677.11
Aug	7763.99	6500.98
Sep	7741.94	6435.41
Oct	7744.38	6604.43
Nov	7735.14	6654.24
Dec	7721.0	

Potato (Rs./Quintal)

Month	2008	2009
Jan	833.31	626.06
Feb	723.6	596.09
Mar	680.19	615.76
Apr	609.75	713.65
May	610.95	804.68
Jun	606.66	894.85
Jul	626.31	1036.54
Aug	672.36	1158.9
Sep	701.95	1288.91
Oct	701.79	1451.4
Nov	700.91	1510.01
Dec	646.19	

Vanaspati (Rs./Quintal)

Month	2008	2009
Jan	5478.17	5145.49
Feb	5679.66	5048.43
Mar	6146.74	4871.7
Apr	6230.62	4773.59
May	6031.91	4922.96
Jun	6127.74	4912.92
Jul	6256.5	4864.01
Aug	6074.93	4791.26

Month	2008	2009
Sep	5790.69	4723.18
Oct	5534.54	4724.15
Nov	5411.05	4739.52
Dec	5295.72	

Onion (Rs./Quintal)

Month	2008	2009
Jan	802.22	1253.37
Feb	648.73	1221.45
Mar	644.27	1198.9
Apr	613.39	1088.73
May	593.34	946.68
Jun	574.19	947.45
Jul	659.66	970.36
Aug	867.31	950.21
Sep	906.59	961.89
Oct	889.6	1314.38
Nov	985.45	1522.7
Dec	1135.03	

Statement-II

Import of pulses during 2008-09 and 2009-10

Import of Pulses

Unit Qty in MTS, Value in Rs Crores

	2008-09		2009-10 (Apr-Oct)	
Commodity Description	Qty	Value	Qty	Value
1	2	3	4	5
Peas (Pisum sativum)	1,214,073	2,736	802,021	1,328
Chickpeas (garbanzos) Beans (Vigna spp.. Phaseolus spp.):	198,159	467	132,973	325
Beans of the species Vigna mungo (L.) Hepper or Vigna radiata (L.) Wilczek	433,263	1,236	341,754	1,267
Small red (Adzuki) beans (Phaseolus or Vigna angularis)	626	2	1,615	5

1	2	3	4	5
Kidney beans, including white pea beans (Phaseolus vulgaris)	50,661	173	43,519	138
Lentils	31,747	138	35,261	129
Other dried & shld Luguminous Vegtbls, Split	507,784	1,369	138,583	940
TOTAL	2,436,313	6,121	1,595,726	4,133

Source : DGCI&S, Kolkata.

Import of sugar during the year 2008-09 and 2009-10

Financial Year	Qunatity (in MTs)	Value (Rs.in Lakhs.)
2008-09	386098	58310.86
2009-10 (upto June 2009)	352492	59926.09

Source: DGCI&S, Kolkata.

Import of edible oil during 2008-09 and 2009-10

Year	Quantity (in lakh tons)	Value (Rs. in crores)
2008-2009	67.15	15819.01
2009-2010	21.58	5865.61
	(upto June, 09)	(upto June, 2009)

Source: DGCI&S, Kolkata.

Statement-III

Measures taken by Government to control prices of essential commodities

1. **Fiscal Measures**

(i) Reduced import duties to zero - for sugar, rice, wheat, pulses, edible oils (crude) and maize;

(ii) Reduced import duties on refined & hydrogenated oils & vegetable oils to 7.5%;

(iii) Allowed import of raw sugar at zero duty under O.G.L. up to 01.08.2009 by sugar mills (notified on 17.04.2009). This has since been extended up to 31.12.2010 (notified on 17.4.2009). Furthermore, import of raw sugar has been opened to private trade up to 31.12.2010 for being processed by domestic factories on job basis.

(iv) Allowed import of white/refined sugar by STC/MMTC/PEC and NAFED up to 1 million tons by 01.08.2009 under O.G.L. at zero duty (notified on 17.04.2009). This has since been extended upto 31.3.2010. Furthermore, the duty free import of white/refined sugar under OGL has been opened to other Central/State Government agencies and to private trade in addition to existing designated agencies.

(v) Removed levy obligation in respect of imported raw sugar and white/refined sugar.

2. **Administrative Measures**

(vi) Permitted the export of edible oils in branded consumer packs of up to 5 kgs, subject to a limit of 10,000 tonnes up to 30th September 2010.

(vii) Permitted export of wheat and wheat products (atta, maida and suji) on private account after 15th May 2009, with a cap of 2 million tonnes in 2009-10.

(viii) Banned export of non-basmati rice, edible oils and pulses (except kabuli chana).

(ix) Effected no changes in Tariff Rate Values of edible oils;

(x) Imposed stock limit orders in the case of paddy, rice, pulses, sugar, edible oils and edible oilseeds upto 30.9.2010; In order to discourage non-household sector consumers from stockpiling sugar and to ensure adequate availability of sugar in the open market for actual consumers, the Central Government has issued a notification dated 22.08.2009 imposing stockholding limit on bulk consumers.

(xi) Using Minimum Export Price (MEP) to regulate exports of onion (averaging at $450 per tonne for December 2009) and basmati rice ($900 PMT);

(xii) Maintaining the Central Issue Price (CIP) for rice (at Rs 5.65 per kg for BPL and Rs 3 per kg for AAY) and wheat (at Rs 4.15 per kg for BPL and Rs 2 per kg for AAY) since 2002.

(xiii) Futures trading in Rice, Urad and Tur suspended by the Forward Market Commission in the year 2007-08 and continues during 2009-10. Futures trading in sugar was suspended *w.e.f.* 27.5.2009 upto 31st December, 2009.

(xiv) Distribution of imported edible oils to States/UTs at a subsidy of Rs.15/kg.

(xv) To augment availability of pulses, permitted the Public Sector Undertakings (namely, STC, MMTC, and PEC) and NAFED to import and sell pulses under a scheme and the losses, if any, up to 15% are reimbursed by the Government.

(xvi) Distribution of imported pulses through PDS at a subsidy of Rs. 10 per kg to State Governments.

(xvii) Permitted sugar factories to sell processed raw sugar in the domestic market and fulfil export obligation on ton to ton basis.

(xviii) Increased quota of levy sugar to 20% with effect from 1.10.2009

(xix) For the month of Nov, 2009, a quantity of 15.00 lakh tons of non levy sugar has been made available which includes 10.50 lakh tons of normal non-levy sugar and 1.45 lakh tons of refined raw sugar imported by sugar mills. The estimated availability out of imported white/refined sugar is about 1.50 lac ton. Besides, the validity period of Oct. 2009 non-levy quota has since been extended for the first fortnight up to 25.10.2009 and for the second fortnight upto 10.11.2009, it is expected about 1.55 lakh ton of sugar would be spill over quota of Oct. 09.